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C O N F I D E N T I A L SECTION 01 OF 02 PORT MORESBY 000226

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TAGS: [PREL](#) [PGOV](#) [PP](#)
SUBJECT: MCGANN MAKES WAVES IN PORT MORESBY

CLASSIFIED BY: Thomas Weinz, Charge, Executive, Department of State.
REASON: 1.4 (b), (d)

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[11](#). (U) Summary: EAP/ANP Office Director Steven McGann met with PNG Department of Foreign Affairs and Trade (DFAT) Permanent Secretary Lucy Bogari, heads of diplomatic missions, Australian

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High Commission officers, and several other government officials. He also attended a reception with government and civil society leaders, gave media interviews, and spoke at the University of Papua New Guinea. The visit received prominent positive coverage in local print and broadcast media. End Summary

Director McGann Meeting with PNG Foreign Affairs PermSec Bogari

[12](#). (U) U.S. - PNG BILATERAL RELATIONS: On June 20, Director McGann met with the embassy country team before calling on PNG DFAT PermSec Bogari with the Ambassador. Bogari expressed appreciation for McGann's follow-up on the Pacific Islands Conference of Leaders (PICL). She stated that "all is well" with the U.S.-PNG bilateral relationship, and that the Year of the Pacific initiatives auger well, especially on the bilateral level.

[13](#). (C REL AUS & NZ) U.S. - PACIFIC REGIONAL RELATIONS; FOCUS ON FIJI: Director McGann stated that the U.S. strongly supports the Pacific Islands Forum (PIF) and wants to increase coordination on regional issues. McGann stressed the need to work together and to not let the Melanesian Spearhead Group (MSG) get in front of the PIF on Fiji issues. Bogari agreed that the MSG must play a complementary role to the PIF, especially in Fiji. McGann expressed appreciation for Ambassador Paki's statement at the PICL [PNG Ambassador to the U.S. Paki was PNG's head of delegation to the PICL] that PNG will be part of the PIF Eminent Persons' Group (EPG) process regarding Fiji.

[14](#). (C REL AUS & NZ) U.S. ASSISTANCE TO PNG: McGann described the U.S. approach to providing assistance, emphasizing that the U.S. would focus on creating sustainable individuals, and shared

the possible opportunities in Guam for Pacific Island labor. McGann stated that the U.S. supports sustainable assistance from China and Taiwan, but that does not support aid which undermines good governance and rule of law. He also pointed to the USTR Trade Seminar as evidence of U.S. commitment in promoting trade with PNG. Bogari stated that PNG is developing a national strategy to deal with donors internally, multilaterally, and to facilitate coordination between donors. Bogari requested U.S. financial support, through the International Tropical Timber Organization, for a PNG forest inventory project.

15. (C REL AUS) PNG - AUSTRALIA BILATERAL RELATIONS: McGann and Bogari discussed PNG-Australia bilateral relations. McGann stated that while the U.S. and Australia communicate regularly on regional issues, the U.S. pursues a balanced approach in the region. Bogari stated appreciation for the U.S. willingness to hear Pacific views, and appeared tense in describing current relations with Australia. Bogari mentioned Australian denial of a request for helicopter support during the elections. Bogari avoided commenting directly on the Moti affair, but stated that PNG was trying to talk to the Australian government about issues that are larger than Moti.

Meetings with Heads of Diplomatic Missions and Australian High
Commission Staff

16. (U) MEETING WITH HEADS OF MISSION: Director McGann, the Ambassador, and DCM met with heads of mission from Australia, the UK, New Zealand, France, the EU, and Solomon Islands. Conversation focused on the results of the PICL and core partners meeting, Fiji, and Guam's future development.

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17. (C REL AUS) MEETING WITH AUSTRALIAN DEPUTY HIGH COMMISSIONER AND STAFF: Director McGann and the Ambassador spent nearly two hours at the Australian High Commission meeting with the Australian Deputy and several political, economic, and AusAID officers. Discussions focused on the upcoming elections, PNG economic development, and the role of U.S. assistance. The Australians believe that Prime Minister Somare and his National Alliance Party are best-placed to form the next government. One Australian analyst described generational change as a "false hope," while other Australian officers described the PNG public service as a "totally dysfunctional blob" that is great at planning but appalling at implementation. On the topic of economic development assistance, the AusAID officer present agreed that the PNG government is making a greater effort to coordinate donor assistance, and stated that Australia is working to link aid more deeply to policy dialogue. He also stated that AusAID will continue to invest more in developing PNG leaders, with a priority on scholarships.

Other Meetings and Public Diplomacy Events

18. (U) MEETINGS WITH PNG DEFENCE FORCE COMMANDER AND ASSISTANT POLICE COMMISSIONER: Director McGann met separately with the commander of the PNG Defence Force (PNGDF) and the Assistant Commissioner (Operations) of the Royal PNG Constabulary (RPNGC). These meetings focused on current and future U.S. support for the military and police forces and on regional, local, and election security. McGann suggested the embassy and the RPNGC explore training programs available to international students through the National Sheriff's Association

¶9. (U) CIVIL SOCIETY AND CHIEF OMBUDSMAN MEETING: Director McGann and the Ambassador met with the Chief Ombudsman, the director of the PNG Institute of National Affairs (INA) [a privately-funded public policy think tank], and representatives of Transparency International-PNG to discuss the current state of governance and anti-corruption efforts in PNG. Participants discussed the structural and social impediments to good governance, with a focus on the upcoming elections. Participants in the discussion stressed the impact of corrupt practices on the electoral process; the buying of votes through direct payments to individuals and through the donation of money/services to local churches, schools, and clinics is commonplace.

¶10. (U) HIV/AIDS BRIEFING: Director McGann was briefed on the current state of the HIV/AIDS epidemic in PNG by PNG health department officials, WHO officers, and the director of Family Health International (FHI), the organization which implements the USAID-funded AIDS program. In a separate meeting, FHI staff briefed McGann on the progress of the USAID program.

¶11. (U) PUBLIC DIPLOMACY EVENTS & FINAL RECEPTION: Director McGann spoke and answered questions for over one hour as part of the UPNG Vice Chancellor's Lecture Series. The acting Vice Chancellor hosted the lecture, which was attended by over 100 faculty, students, members of the diplomatic community, and interested citizens. McGann's remarks on U.S. investment in the people of the Pacific and bilateral relations with PNG were well-received. McGann also visited the National Broadcasting Corporation (NBC) offices for a taped radio interview, which focused on PICL results and Fiji. Excerpts of this interview aired nationwide. The Ambassador hosted a final reception in honor of Director McGann, which was attended by representatives of the government, the media, the diplomatic community, and civil society. Director McGann's visit had a very positive impact on embassy relations with the government and people of Papua New Guinea.
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